



# **The Historic Franklin School Building**

**925 13<sup>th</sup> Street, NW  
Washington D.C.**

## **Request for Proposals**

Issued

\_\_\_\_\_, 2003

by

Office of the Deputy Mayor for Planning & Economic Development  
1350 Pennsylvania Ave, 3<sup>rd</sup> Floor  
Washington, DC 20004

Property Visit: \_\_\_\_\_, 2003 10am –12pm

Responses Due: \_\_\_\_\_, 2003 4pm

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**Historic Franklin School Building  
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## Historic Franklin School Building

### Request for Proposals

The District of Columbia \_\_\_\_\_ on behalf of the District of Columbia Government (The “District”), and pursuant to its authority under the District of Columbia \_\_\_\_\_, hereby request proposals for the disposition and adaptive reuse of the Franklin School Building (the “Property”), located at 925 13<sup>th</sup> Street, N.W. in downtown Washington, D.C.

#### ***I. Introduction***

The Government of the District of Columbia (The “District”) invites all interested parties to respond to this Request for Proposals (RFP) for the renovation and adaptive reuse of the historic Franklin School Building located at 13<sup>th</sup> & K Streets, NW on Franklin Square in the heart of Downtown Washington. The Franklin School Building is a National Historic Landmark constructed in 1869, and is an important part of the District’s heritage. It was as one the first flagship public schools demonstrating the District’s commitment to public education. It also received several international design awards, and it served as a location for Alexander Graham Bell’s “photophone” experiments – an early form of sound transmission through light.

Vacant since 1989, ownership of the building was transferred from the DC Public Schools to the Government of the District of Columbia by the Financial Control Board in March of 2000. The District’s *Downtown Action Agenda* (see below) identified the building as a key opportunity site. The District is therefore interested in seeing the building reused to help fulfill the vision of Downtown as a vibrant, active destination.

The District conducted both architectural and economic studies in preparation for disposition. These studies can be found at [www.planning.dc.gov](http://www.planning.dc.gov). These studies were for comparative analysis purposes only. Development teams should independently confirm any site information found in them or in this document.

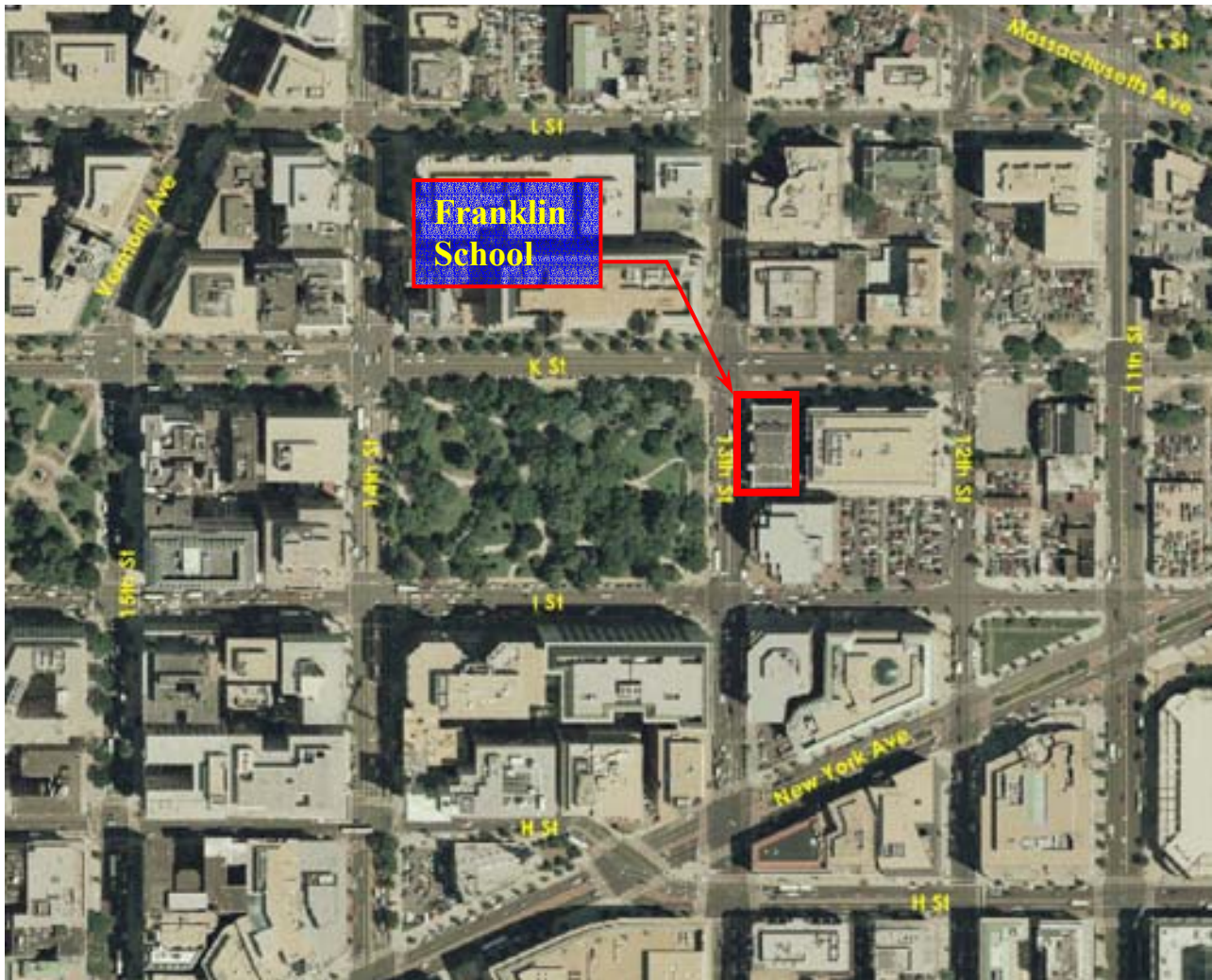
#### ***Purpose***

The Office of the Deputy Mayor for Planning & Economic Development is issuing this RFP to select a development team interested in the adaptive reuse of one of the District’s finest historic structures. Qualified development teams are invited to submit a response that describes their proposed use or uses, their team, and prior experience with similar historic properties.

#### ***II. Downtown Context***

##### ***A. Downtown Action Agenda***

Released in November 2000 by Mayor Williams, the *Downtown Action Agenda* outlined the steps necessary to fulfill the District’s vision for downtown that was first articulated in 1982. Many of



Aerial view of Franklin Square (1999).

the steps such as Zoning and Tax Incentives for Housing, an Area-Wide TIF District, and the Existing Convention Center Redevelopment are now completed or well under way. Results include 2,300 units of housing under construction, with over a thousand more in predevelopment, TIF financing of the recently opened Spy Museum, and one new live theatre stage under construction and two more planned.

One of the main strategies of the *Downtown Action Agenda* is to capitalize on key publicly owned sites for the development of preferred uses. While the *Agenda* identifies the Franklin School as an opportunity to support the arts in downtown, the District recognizes that institutions of higher education would be compatible with the unique nature of the building.

### ***B. Downtown & Franklin Square***

Downtown Washington DC has rarely seen such development activity as that witnessed over the passed several years. From the West End down K Street, a major east-west thoroughfare, to Mt. Vernon Square and beyond to Union Station, Downtown is fulfilling its role as the center of commerce, culture and living for the District and the region. From the new office buildings to the

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growing residential neighborhood to the numerous centers of culture such as Kennedy Center or the proposed Artist's Walk in the Mt Vernon Triangle, Downtown is on its way toward fulfilling the vibrant active destination that D.C. always envisioned.

Almost at the heart of Downtown is Franklin Square. Named for Benjamin Franklin, it is the largest of L'Enfant's downtown parks. Located on K Street, one of downtown's major axes, its excellent tree canopy and fountain creates an inviting environment for pedestrians.

The surrounding streets are primarily dominated by office buildings, but also offer nearby metro access at the McPherson Square and Metro Center stations, six hotels, and the National Museum for Women in the Arts. Private development either recently completed or under construction, includes 984 hotel rooms, 425 planned residential units and 1,200,000 square feet of office. In addition several large-scale public/private redevelopment efforts are underway nearby including:



Franklin Square (2001).

- The New Convention center – 2.3 million square feet of convention space located at Mt Vernon Square three blocks away is nearing completion with the first convention scheduled for April of 2003;
- Existing Convention Center Redevelopment – an RFQ for a Master Developer has been issued for 600 to 900 residential units, greater than retail and civic space development three blocks away on New York Avenue; and
- Gallery Place at Chinatown – a large TIF financed, mixed-use development for 193 housing units, 200,000 square feet of retail and 14 movie theatre screens is currently under construction.

While the square is active during the daytime, activity during the evening drops off dramatically.

### **III. Site & Building Profile**

The Property is identified by Tax Lot 808 of Square 285 with a total land area of 14,938 square feet in size. The building's gross square footage is roughly 51,000 square feet, however due to the nature of the building's interior layout, useable square footage may be considerably less and will depend on a particular user's program and the creativity with which the adaptive reuse is approached. The District's architectural consultant (study available online at [www.planning.dc.gov](http://www.planning.dc.gov)) determined that the leaseable square footage varied depending on the specific use. The District's economic consultant used 30,000 square feet to compare the relative

value of different uses. This figure is for comparative analysis only and development teams should not consider it to be the building's development potential. The full potential can only be maximized by a creative adaptive reuse scheme. Need to use some of the rear yard to provide a modern core facility is expected. A rear yard on the east side of the building is roughly 4,736 square feet in size.

Because the District owns the building, it is technically unzoned. However the surrounding area is DD/C-4, which is defined as high-density business and retail heart of the District and allows for a mix of employment, retail, office, residential, cultural and entertainment centers. The DD Overlay contains



Franklin School Building.

requirements and incentives for culture, retail, housing and historic preservation. The zoning permits by right development of 10.0 FAR with heights of up to 130. The historic status of the building essentially limits reuse to the building's existing envelope.

Both the exterior and interior of the building are designated historic under the District's Historic Preservation Act. This requires that any and all changes made to the building be approved by the District's Historic Preservation Review Board. The building is also a National Historic Landmark (one of four owned by the District).

#### ***IV. Preferred Building Uses***

Designed by Adolph Cluss, who also designed the Smithsonian's Arts and Industries building, the Franklin School Building is an important part of the District's civic heritage. It represents not only the city's first commitment to public education, but is one of the earliest examples of such commitment from across the nation. The building's highly visible and prominent location creates a tremendous potential to impact the Franklin Square.

Therefore, the District is highly interested in receiving submissions proposing cultural or institutions of higher education. The District believes the Franklin School Building is a premier site for these types of prestigious institutions. The District will also consider submissions proposing a mix of uses that include cultural and higher education components.

Use of the building should help make Franklin Square a vibrant active destination. The intended program should attract visitors and pedestrian traffic to Franklin Square throughout the day and the evening in order to make the Property an integral part of the square. In addition, commitments to programs directed toward District residents are encouraged.

## ***V. Development Requirements***

### **A. Historic Preservation**

Maintaining the historic status of the building is a major concern to the District. Potential reuses should not affect the building's National Landmark status and must comply with all local requirements. The National Landmark Application and the Historic Preservation Review Board's decision memos for both the interior and exterior designation are included in the developer's kit.

#### **External**

The following are some of the possible external modifications that could receive staff support from the Historic Preservation Office upon submission of plans for review to the Historic Preservation Review Board.

- Construction of elevator, stair and other modern infrastructure requirements on the eastern wall of the building. These additions should be away from K Street and impact to the external structure should be kept to a minimum. Design and materials used should be compatible with that of the existing structure.
- The rear courtyard may be decked to the K Street level to provide limited parking and/or other necessary loading space. A suitable landscape design for the K Street level of the deck is highly encouraged.

#### **Internal**

The recent local historic designation identified several interior features of primary importance. Consistent with this designation, strongly recommended treatments include, but are not limited to the following:

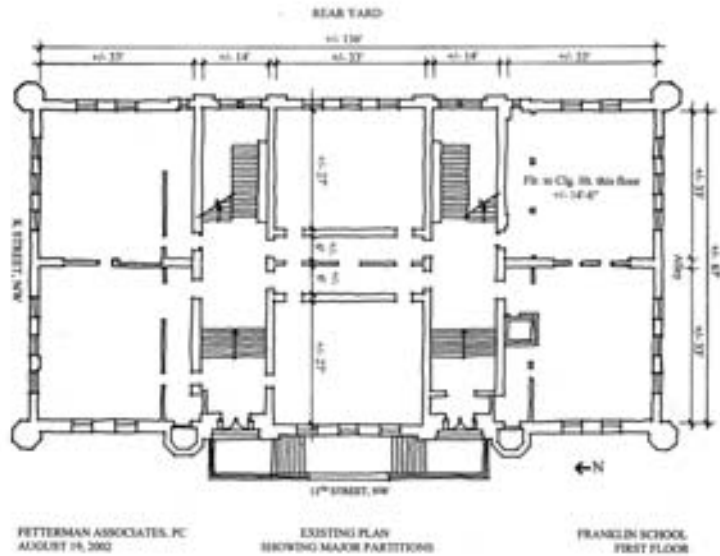
- The Great Hall and its musician's gallery should remain intact, accessible, and undivided by partitions. Proposals not in keeping with this requirement shall be deemed unresponsive. (Mural restoration is encouraged but not required).
- The Grand Stairways and stair halls should be retained and should not be enclosed by opaque or translucent materials. If needed clear glass partitions should be used to maintain the sense of space.



Franklin School rear courtyard.

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- The arched doorways and revolving transoms should be maintained and incorporated in the building's reuse.
- Wainscoting and metal work should be restored and reused where feasible.
- The pressed tin ceilings on the second story of the south end shall be restored and retained if feasible.



Existing 1<sup>st</sup> Floor Plan (dimensions are approximate and should be verified by development teams).

The District recognizes that adaptive reuse of historic structures requires choices between feasibility and historic preservation; submissions that strike the appropriate balance between these concerns will be considered favorably. Overall, maintenance of the building's historic status is considered to be vital.

All construction plans will be subject to the review of the Historic Preservation Review Board and must meet applicable building codes. Applicants must pursue waivers where necessary.

### B. Great Hall

Due to the historic/civic nature of the building's past, the District requires the Great Hall be made accessible to the public for scheduled meetings and events. Proposals not in keeping with this requirement shall be deemed unresponsive. Proposals providing additional public access for programmed use or visitor space are encouraged.

### C. Financial Requirements

The District shall maintain long-term control of the property via a long-term ground lease. Offers for fee simple purchase will be deemed unresponsive and will not be accepted. Preliminary business terms for the ground lease are the following:

- 1) Sixty-year ground lease. Initial lease of ten years, to be followed by five (5), ten-year options. The District shall retain the option to extend the lease after the initial sixty years.
- 2) The Leaseholder must provide some form of adequate security committing to operations for the initial ten years of the lease.

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- 3) Any substantial change from the selected program shall break the terms of the lease. The District reserves the right to reappraise it to the highest and best use, and/or take other suitable action.
- 4) 20<sup>th</sup> year reappraisal of the ground lease. The increase in ground rent shall be proportional to the increase in appraised value from the time of the original disposition.
- 5) Annual CPI adjustments after the 10<sup>th</sup> year.

All final terms shall be negotiated and set down in the Exclusive Rights Agreement.

Execution of disposition agreement shall not occur until all necessary development approvals have been received, including, but not limited to, Historic Preservation Review Board, Zoning Commission, Board of Zoning Adjustment, and the District's financial commitment. This must occur within the submission's proposed development schedule. Should the selected team fail to meet the scheduled milestones laid out in their proposed development schedule, the District reserves the right to end all negotiations, keep the performance deposit and re-advertise the Property at a later date.

### **D. District Incentives**

In order to achieve these requirements the District encourages development teams to investigate potential available development incentives. Tax-exempt revenue bond financing is available to qualified non-profit organizations.

Note: Selection of a development team does not constitute a funding commitment from the District's bond program.

Undue reliance on limited resources, such as low-income housing tax credits, housing finance bonds or other District subsidies, shall affect a submission's evaluation score under financial compensation.

Beyond direct subsidies, development teams should investigate available zoning incentives for preferred uses, such as Transferable Development Rights and Combined Lot Development found in Chapter 17 of the District of Columbia Zoning Regulations.

## **V. Evaluation Criteria**

The District will review and grade the submissions on a scale of 95 points, and at its sole discretion, it will select one of the proposals. Definitions of these evaluation criteria follow.

### **A. Qualifications, Experience & Financial Feasibility (25 points)**

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The Qualifications and Experience of team members as demonstrated by the development team members' prior experience in working with similar historic buildings; public/private developments; the ability to raise debt and equity capital for developments, in the District of Columbia or other comparable areas. Included in this is the financial standing of the end user. Proposals will be evaluated based on the financial strength and stability of the end user and its demonstrated ability to maintain operations and lease payments for at least ten years.

### **B. Financial Compensation (15 points)**

The proposing team's financial offer for ground lease will be evaluated in Present Value terms of the first ten (10) years based on a set discount rate of 10%. Included in the evaluation is the payment of real estate taxes or the commitment to payments in lieu of taxes. Dependence on limited public subsidies will be included in the evaluation. Scoring will be proportional to the highest bidder.

### **C. Development Program/User (25 points)**

Points for this category are awarded based on the proposed program/users' ability to excel in achieving the goal articulated in the section IV. Preferred Building Uses. The quality of the proposal will be judged by performance measurements such as estimated visitor foot traffic, hours of operation, extent of public access to the building, including the amount time the Great Hall will be available. Therefore the proposal that generates greatest amount of activity will receive the greatest amount of points.

### **D. Design & Historic Preservation (15 points)**

The Property is a unique, challenging opportunity. The District seeks high degree of creativity with regards to the way adaptive reuse affects the historic preservation concerns for this site. The quality of the proposal shall be judged by the degree of creativity and sensitivity to the preservation concerns discussed in HPRB's decision memos and National Historic Landmark found in the developer's kit.

### **E. Local, Small, and Disadvantaged Business Enterprises (LSDBE) Participation and Employment Opportunities and Community Outreach Plan (15 points)**

The selected team must evidence the participation of Local, Small, and Disadvantaged Business Enterprises in the project team. Proposals will also be evaluated on the thoroughness of their community outreach plan. The quality of the proposal shall be judged by the extent of LSDBE involvement and the community outreach plan.

## **VI. SUBMISSION REQUIREMENTS AND SELECTION PROCEDURES**

### **A. Submission Requirements**

A deposit of \$100,000 and fifteen (15 printed copies of the proposal must be submitted by 4pm on \_\_\_\_\_ 2003 to:

The District reserves the right, at its sole discretion, to reject any proposal it deems incomplete or unresponsive to the submission requirements. The District also reserves the right, at its sole discretion, to reject all proposals and re-advertise at a later date. If the submission is deemed incomplete, that submission deposit will be refunded in full. In the event that the District determines that it should reject all submissions, all deposits will be refunded.

Bidders are invited to submit more than one development scenario and financial proposal. Multiple development programs and financial offers by the same principal Development Team will be considered a single submission; each option should be included in the submission. Team members may participate in submissions from more than one Bidder.

If a Bidder wishes to change the composition of the proposed development team, proposed use or user(s) at any time in the selection process it must notify the District in writing. The District reserves the right to reevaluate the proposed changes and eliminate it from further consideration. The District will require similar notification and approval rights following award. The interim Exclusive Right Agreement, the Land Disposition Agreement and the Ground Lease will include similar provisions.

If at any time after the District's award, but prior to entering into a Land Disposition Agreement, the bidder should decide not to proceed, the bidder must notify the District and give the reasons for its decision. A successful bidder wishing to withdraw may be subject to the loss of part or all of the monetary security posted at the time of award. If the District is unable to deliver the Property, all deposits and any interest earned will be returned.

For a submission to be complete, the bidder must submit the following information on standard letter sized format. Bidders are asked to keep the text of their base proposal and summary of supporting information to a minimum.

- 1. *Qualifications, Experience and Financial Feasibility:*** To evaluate the capability of each respondent, the District requires the information described below.

**This solicitation seeks developers and architectural teams with proven experience adaptive reuse of historic structures.**

#### *Team Members*

1. The name, address, telephone number, fax number, and e-mail address (if available) of each principal, partner, or co-venturer participating in the entity the Bidder proposes to develop the site, and of each of the other professional firms identified with the Bidder's proposal;

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2. The name, address, telephone number, fax number and e-mail address (if available) of the representative authorized to act on behalf of the Bidder and who is available to respond to questions or requests for additional information;
3. Identification of any affiliation or other relationship between any of the members of the proposing team responding to this offering and any development company, parent company, or subsidiary; and
4. Identification of any relationship between members responding to this offering and any person working for, appointed to a position in, or elected to an office of the District of Columbia Government, District, Office of Planning, Dept of Housing & Community Development, or any other entity from which there may be even an appearance of conflict of interest.

### *Qualifications and Experience*

1. If the Bidder is not an individual doing business under his or her own name, a description of the status of his or her organization (whether a corporation, a non-profit or charitable institution, a partnership, a business association, or a joint venture) indicating the jurisdiction under whose laws it is organized and operating, and a brief history of the organization and its principals;
2. The principals, partners, or co-venturers participating in the proposal who have agreed to be part of the proposing entity, and a copy of any written agreement;
3. The individual who will be or whose organization will be the managing principal or partner;
4. The nature and share of each participant's financial investment in the project or the proposing entity and the role for each;
5. Relevant projects with which the managing principal or partner and the design architect have had primary involvement, including illustrative material of projects that demonstrate each of their abilities, the name and address for each project identified, the name and telephone number of persons familiar with the development who may respond to inquiries from the District, and the principal, partner, or design architect's role in each project;
6. Illustrative materials that will help the Selection Committee and District board to evaluate the caliber, innovation and relevant experience of the architectural team.
7. References for the managing principal or partner, including names, addresses and telephone numbers, and a letter authorizing each reference to respond to inquiries regarding the design, financing and development of prior projects. One of the references must be a staff member from a public agency who has reviewed a proposal from the Bidder or who has negotiated an agreement with the Bidder;
8. A list of the professionals the Bidder will be employing for this project. For each professional firm, the proposal should include a description of the staff capabilities, the resumes of all senior-level staff who will be working on this project, and information on their role on this project, and their past experience that is directly relevant to this project;
9. If available, the most current report from Dun & Bradstreet or other recognized credit-reporting service for each participating principal, partner, or co-venturer, or any relevant business entity.

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Bidders may submit additional material that they believe will assist in evaluating the ability of the Bidder, the design architect, and any other professional who will be participating in the development. Should the District need additional information, it will request the authorized representative to submit the necessary material.

*Financial Feasibility-* To evaluate the entity's ability to finance the proposed development, the District requires the following information:

1. A narrative or tabular statement identifying the company or joint venture's ability and commitment to invest capital into the proposed project;
2. A comprehensive development budget showing the project's total development costs, and itemizing the purchase price of the site, and all construction, architectural, engineering and related fees;
3. A "Sources and Uses" statement describing the expected equity requirements and sources, the anticipated sources of working capital, and the anticipated sources permanent and construction debt financing for the project; and
4. For any spaces to be rented, the submission should include a 20-year operating pro-forma analysis demonstrating the project's operating characteristics including net operating income, debt service requirements and related coverage ratios. The pro-forma analysis should be consistent with this absorption projection.
5. For office space or other commercial space, the submission should include a 20-year operating pro-forma analysis demonstrating the project's operating characteristics including net operating income, debt service requirements and related coverage ratios. The submission should also include an absorption and lease-up schedule identifying the estimated absorption time. The pro-forma analysis should be consistent with this absorption projection.
6. Statements from commercial tenants, institutions or equity partners expected to contribute to the project, describing their financial involvement in and the nature of its commitment to the project.

*Should the District require additional material, it will request the authorized representative to furnish the necessary information. To the extent permitted by law, the District will hold all financial information in confidence.*

*Project Organization* - The bidder and its partnership members should include the following information to assist the District in evaluating the proposals:

1. A brief (less than five pages) narrative description of the basis of the partnership, specifically the prior collaborative experience, business terms of the partnership, management relationship among the team members and between the lead and partner developers, and a detailed schedule for how the team plans to organize itself to deliver the projects simultaneously.
2. An organizational chart indicating the organization and management structure for the proposed development team.

*End User/Tenant* - Submission should include the following

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1. Letter of Intent stating the end users interest in occupying the building;
  2. Mission statement of the end user organization;
  3. Program description, describing how the Property shall be used, including the programs, scheduled events and other activities. Submissions should include any proposed programs, events or activities targeted to District residents;
  4. Material demonstrating either passed track record and/or market studies estimating visitors to be attracted to the Property; and
  5. Fiscal statements for the last seven years detailing the end user's operating budget, revenue, credit references.
- 2) **Financial Compensation:** The Bidder and all associates should sign the financial proposal of ground lease and conditions. The proposal letter should describe the financial offer in detail, along with any limiting conditions. Basic development pro-formas describing estimated development costs and projected project income are also requested as part of presenting proposed lease terms. Given that ground lease payment may vary according to use and final design, Bidders may submit separate financial offers with each development option proposed.
3. **Development Program and Concept Plans<sup>1</sup>:** The District requires that Bidders identify and describe in detail the elements of its proposed development and the rationale for the particular architectural solution proposed. Bidders may submit multiple development scenarios and are encouraged to describe in detail how they believe each scenario meets or exceeds the program goals and objectives.

The Concept Plans and information on the development program must include:

1. Estimated achievable gross floor area at and above grade (on-site FAR);
2. At least 10 copies of the Concept Plans, which must include the following at the scales indicated:
  - a. A site plan (1/32 = 1.0) which includes the entire block as context;
  - b. All floors, and roof plan (1/8 = 1.0); and
  - c. Illustrative elevations, renderings and massing diagrams sufficient to review proposed changes to the exterior (1/8 = 1.0); and
  - d. Plans should identify historical elements preserved or restored.
  - e. Plans should reflect spaces to be made accessible to the public;
  - f. The District may request one set of 40 -60 presentation boards with items a, b and c shown on them for the selected bidder.
3. Within each written submission, a complete set of the Concept Plans reduced to 8-1/2 by 11;
4. A description of the proposed exterior and interior materials and items of historical concern to be restored or preserved;
5. The total gross and net square footage for the proposed development, the total gross square footage at and above grade, and the total gross and net square footage for each use by floor;

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<sup>1</sup> Unless specifically stated otherwise, all submissions shall include any extra space or program information necessary to evaluate the viability of the proposal and the impact on the financial compensation to the District.

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6. The total number of square footage open or programmed for public access and the hours of the day the space will be made available itemized for the Great Hall and any additional spaces;
7. Proposed development schedule and related contingencies, if any; and
8. Description of any proposed additional project or neighborhood related amenities. Bidders may consider multiple approaches to design (that conform to this RFP) and are encouraged to outline general design issues and recommendations that they believe will enhance the broader purpose of the District's objectives regarding this site. Bidders may also consider a phased development approach.

#### **4. *Local, Small, and Disadvantaged Business Enterprises (LSDBE) Participation Plan Employment Opportunities and Community Outreach Plan***

The District of Columbia Municipal Regulations provided guidelines and goals for the participation of LSDBE contracts for professional and technical services, and construction contracting and purchasing. Bidders should submit for review a plan that considers all phases of development from establishment of the development team to operations and management of the proposed project. Proposals should include a narrative or tabular description of the level of participation of LSDBEs in any and all phases of the project's development. Information can be found at <http://olbd.dc.gov/main.shtm>

The District is also committed to its goals to advise neighborhoods of developments impacting their communities as well as provide employment opportunities for District residents. Proposals should include a narrative description a cohesive approach to achieve these goals.

### **C. Timetable**

All bids must be submitted to \_\_\_\_\_ by 4:00 on \_\_\_\_\_, 2003.  
The selection process is projected to follow the timetable below:

Note: The District considers the end user an important part of the RFP. It is recognized that identifying and teaming with an end user adds another layer of complexity of to the RFP. For this reason Proposals will be due 180 days from the date of issuance.

Issuance of Council Approved RFP  
Bidder Conference 15 days from issuance  
Proposals Due 180 days from issuance  
Short List Interviews 215 days from issuance  
Bidder Final Selection 270 days from issuance  
Execute Exclusive Right Agreement 300 days from issuance & Performance deposit of \$  
Execute Disposition and Development Agreement 1 year and 2 months from issuance

The bidder conference will be held at \_\_\_\_\_ on \_\_\_\_\_, 2003 at \_\_\_\_\_ AM/PM